

COW - CALF PRODUCTION

COSTS AND RETURNS 1998 - 1999

ITEM	UNITED STATES		HEARTLAND		EASTERN UPLANDS	
	1998	1999	1998	1999	1998	1999
Gross value of production:			Dollars Per Bred Cow			
Steer calves	127.91	138.06	148.52	160.38	112.42	120.51
Heifer calves	79.43	85.87	100.38	108.78	90.07	96.37
Yearling steers	86.20	91.80	31.17	33.79	46.10	48.94
Yearling heifers	36.76	39.16	9.69	10.30	20.36	21.61
Other cattle	68.73	71.34	60.56	62.60	56.19	56.87
Total, gross value of production	\$404.89	\$432.27	\$354.61	\$380.28	\$331.80	\$351.16
Operating costs:						
Purchased cattle for backgrounding	56.27	59.76	20.17	22.43	35.62	37.33
Feed:						
Concentrates and other feed	26.95	23.87	26.36	24.11	23.83	22.26
Supplemental feed	15.23	15.01	32.76	32.45	12.15	11.97
Harvested forages	130.78	115.73	193.70	179.36	220.15	222.47
Cropland pasture	13.16	13.45	14.76	13.28	4.04	3.81
Private pasture	96.13	98.19	69.64	65.81	65.50	64.89
Public land	2.26	2.54	0.35	0.35	0.37	0.38
Total, feed costs	\$284.51	\$268.79	\$337.57	\$315.36	\$326.04	\$325.78
Other:						
Veterinary and medicine	22.04	22.68	39.30	40.91	15.46	16.00
Bedding and litter	0.37	0.39	1.20	1.23	0.52	0.56
Marketing	5.86	6.04	4.29	4.43	6.66	6.86
Custom operations	31.02	31.92	41.01	42.56	26.22	26.79
Fuel, lube, and electricity	19.14	19.10	16.18	16.20	15.66	15.65
Repairs	25.34	26.08	29.66	30.79	24.91	25.61
Interest on operating inputs	11.36	11.15	12.67	12.46	10.77	10.54
Total, operating costs	\$455.91	\$445.91	\$502.05	\$486.37	\$461.86	\$465.12
Allocated overhead:						
Hired labor	3.12	3.24	0.48	0.52	2.84	2.91
Opportunity cost of unpaid labor	229.58	236.11	188.27	194.62	144.12	147.98
Capital recovery of machinery and equipment	122.54	121.32	254.55	239.25	166.29	166.10
Opportunity cost of land	2.26	2.74	5.10	5.24	2.10	3.08
Taxes and insurance	32.00	32.15	42.31	42.66	31.17	31.26
General farm overhead	55.95	56.94	77.11	78.99	49.63	50.67
Total, allocated overhead	\$445.45	\$452.50	\$567.82	\$561.28	\$396.15	\$402.00
Total, costs listed	\$901.36	\$898.41	\$1,069.87	\$1,047.65	\$858.01	\$867.12
Value of production less total costs listed	-496.47	-466.14	-715.26	-667.37	-526.21	-515.96
Value of production less operating costs	-51.02	-13.64	-147.44	-106.09	-130.06	-113.96
Supporting information:						
Bred cows (head) <u>1/</u>	83	83	51	51	50	50
Calves weaned (head) <u>1</u>	71	71	45	45	38	38
Calving season (percent of ranches) <u>1/</u>						
One	49	49	65	65	19	19
Two	13	13	9	9	23	23
None set	38	38	26	26	58	58
Cost of homegrown harvested						
Forages (percent of total cost) <u>1/ 2/</u>	84	84	94	94	87	87
Cost of pasture owned:						
Private pasture (percent of total cost) <u>1/ 3/</u>	72	72	72	72	87	87
Cropland pasture (percent of total cost) <u>1/ 3/</u>	80	80	76	76	96	96

The Economic Research Service revised its accounting methodology for corn, soybeans, cotton, grain sorghum, peanuts, hogs and cow-calf enterprises to conform with the new stands recommended by the American Agricultural Economics Association (AAEA) Task Force on Commodity Costs and Returns. For these same commodities, ERS is publishing regional estimates using new resource regions. Western Kentucky is considered Heartland while eastern Kentucky is included in Eastern Uplands. 1/Developed from survey base year, 1996. 2/Percent of total harvested forage cost from charge on homegrown forages. 3/Percent of total pasture cost from charge on owned pasture.